

200642004



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

JUL 27 2006

T:EP:RA:ST: A2

In re:

Company =

This letter constitutes notice that a waiver of the minimum funding standard for the Plan for the plan year ending December 31, , has been granted subject to the following conditions:

- (1) The Company makes the required quarterly contributions to the Plan due on October 15, , and January 15, , for the plan year ending December 31, , in a timely manner, and meets the minimum funding standard for the Plan for the plan year ending December 31, , by September 15, .
- (2) The Company makes the required quarterly contributions and meets the minimum funding standard for the Plan for each plan year that the Plan is subject to the funding waiver.

You agreed to these conditions in letter dated July 20, , sent via facsimile. If any one of these conditions is not satisfied, the waiver is retroactively null and void.

This conditional waiver has been granted in accordance with section 412(d) of the Internal Revenue Code and section 303 of the Employee Retirement Income Security Act of 1974 ("ERISA"). The amount for which this conditional waiver has been granted is the contribution that would otherwise be required to reduce the balance in the funding standard account to zero as of December 31, .

The Company operates a
includes
contractors.

The Company's customer base

The current financial hardship was brought on by the need to close a facility due to foreign competition. The Company had been unable to sell the facility and did not have the cash flow to make principal payments on long-term debt and maintain current operations.

In order to effect a recovery of its business, the Company has taken a number of steps to improve its financial situation. Among these steps was the merger of other manufacturing plants. Company sold the closed facility and used the net proceeds to pay down debt for which the facility had been pledged as collateral. Capital improvements to the manufacturing process have yielded both quality and productivity improvements. Additional capital improvements are planned for and will be funded by a loan from the Company's state Department of Development.

While the Plan is only % funded on a current liability basis, the Company has shown its determination to fund the Plan in the future by agreeing to make the required quarterly contributions for the plan years ending December 31, and December 31, . Hence, the waiver of the minimum funding standard for the plan year ending December 31, , has been granted subject to the conditions stated above.

Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describe the consequences that would result in the event the plan is amended to increase benefits, change the rate in the accrual of benefits or to change the rate of vesting, while any portion of the waived funding deficiency remains unamortized. Please note that any amendment to a profit sharing plan or any other retirement plans (covering employees covered by this plan) maintained by the Company, to increase the liabilities of those plans would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA. Similarly, the establishment of a new profit sharing plan or any other retirement plan by the Company (covering employees covered by this plan) would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

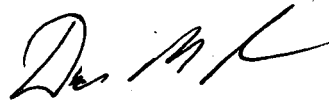
This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan year ending December 31, , the date of this letter should be entered on Schedule B (Actuarial Information). For this reason, we suggest that you furnish a copy of this letter to the enrolled actuary who is responsible for the completion of the Schedule B.

We have sent a copy of this letter to the Manager, EP Classification in
and to the Manager, EP Compliance Unit in and to your
authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact :

Sincerely yours,

A handwritten signature in black ink, appearing to read "Donna M. Prestia". The signature is fluid and cursive, with the first name "Donna" being more legible than the last name "Prestia".

Donna M. Prestia, Manager
Employee Plans Actuarial Group 2